

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6783**

**BILL NUMBER:** HB 1522

**NOTE PREPARED:** Jan 18, 2015

**BILL AMENDED:**

**SUBJECT:** Juvenile Placement.

**FIRST AUTHOR:** Rep. Pryor

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill provides that the Department of Child Services (DCS) is responsible for payment of expenses for housing or services for the benefit of a child placed by a juvenile court in a home or facility located outside Indiana.

**Effective Date:** July 1, 2015.

**Explanation of State Expenditures:** *Summary:* This bill could increase DCS expenditures for out-of-state child placements ordered by courts. The DCS reports some of these costs could be reimbursable under the federal IV-D foster care program provided federal program eligibility requirements are met. Increases in expenditures are indeterminable.

**Additional Information:** Currently, when a court orders out-of-state child placements, the county is responsible for the costs of these placements unless they are approved by the DCS. The DCS reports that information on denied out-of-state placement financing requests made by courts is unknown.

To the extent courts will order out-of-state placements, this bill will transfer costs from counties to the DCS. Total increases in DCS costs are indeterminable.

The DCS reports the following information for in-state and out-of-state placements financed by the Department during FY 2013 and FY 2014.

<b>Disposition Type</b>	<b>Placement Location</b>	<b>FY 2013 Average Annual Cost Per Child</b>	<b>FY 2014 Average Annual Cost Per Child</b>
Child In Need of Services	Out-of-State	\$43,700	\$43,900
	In-State	\$31,600	\$34,200
Juvenile Delinquent	Out-of-State	\$28,700	\$23,800
	In-State	\$21,300	\$23,800

In instances where a court orders a child to be placed out-of-state that otherwise would have been placed in a state facility (where DCS would have paid the placement expenses), DCS expenditures could increase by the difference between the two rates. The increase could be between \$9,700 and \$12,100 for a child in need of services (CHINS) cases and between \$0 and \$7,400 for juvenile delinquent cases, based on information provided by DCS.

Further, if the bill increases the number of out-of-state placements where the county would have financed the costs of placement, DCS expenditures will increase to finance these placement costs. Based on information provided by the DCS, the increase could be between \$43,700 and \$43,900 for CHINS cases and between \$23,800 and \$28,700 for juvenile delinquent cases.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** This bill could decrease county costs for juvenile placements that would be financed by the DCS. Decreases in local expenditures is indeterminable.

**Explanation of Local Revenues:**

**State Agencies Affected:** DCS.

**Local Agencies Affected:** All.

**Information Sources:** Parvonay Stover, DCS.

**Fiscal Analyst:** Bill Brumbach, 232-9559.